

**A RESOLUTION  
BY TRANSPORTATION COMMITTEE**

**07-*R*-1696**

---

**A RESOLUTION ON BEHALF OF THE DEPARTMENT OF AVIATION TO MODIFY THE TERMS OF A PROPOSED AGREEMENT WITH MDG DEVELOPMENT GROUP, LLC FOR THE LEASE OF LAND OWNED BY THE CITY OF ATLANTA NEAR HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT BY ADDING UP TO AN ADDITIONAL 2.0 ACRES TO THE LEASED PREMISES; AND FOR OTHER PURPOSES.**

**WHEREAS**, the City of Atlanta ("City") owns and operates Hartsfield-Jackson Atlanta International Airport and owns a 155.6 acre tract of undeveloped land located near the intersection of Godby Road and Old National Highway in College Park, Georgia (the "Godby Road Tract"); and

**WHEREAS**, Resolution 06-R-0162, which was adopted by Council on January 17, 2006 and approved by the Mayor on January 24, 2006, authorized the lease of approximately 3.5 acres of the Godby Road Tract to MDG Development Group, LLC ("MDG"), for the construction and operation of a facility to be used by AirTran Airways for Flight Attendant Training (the "Facility"); and

**WHEREAS**, prior to the execution of the Lease Agreement, and due to the evolving growth needs of AirTran Airways, MDG determined that up to 2.0 additional acres of land would be needed to develop the Facility appropriately; and

**WHEREAS**, the Aviation General Manager recommends that the terms of the proposed Lease Agreement be modified to meet the objectives set forth herein.

**THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY RESOLVES:**

**SECTION 1.** That the premises to be leased by the City to MDG Development Group, LLC, as authorized by Resolution 06-R-0162, may consist of up to 5.5 acres of land, rather than the 3.5 acres previously authorized.

**SECTION 2.** That rent to be paid by MDG shall be adjusted on a pro rata basis to correspond to the increased size of the leased premises.

**Part II: Legislative White Paper:** (This portion of the Legislative Request Form will be shared with City Council members and staff)

**A. To be completed by Legislative Counsel:**

**Committee of Purview:**

**Caption:**

**Council Meeting Date:**

**Requesting Dept.:**

**B. To be completed by the department :**

**1. Please provide a summary of the purpose of this legislation (Justification Statement).**

***Example: The purpose of this legislation is to anticipate funds from a local assistance grant to purchase child safety seats.***

The purpose of this legislation is to amend the previous legislation to include the lease of 2.0 additional acres so that the new AirTran Flight Attendant Training Facility can be developed appropriately based on Airtran's requirements.

**2. Please provide background information regarding this legislation.**

***Example: The task force of homelessness conducted a study regarding homelessness, its impact and consequences on the City. This resolution reflects the Mayor's desire to open a twenty-four hour center that will respond to the needs of the homelessness in Atlanta.***

The City of Atlanta owns a 155.6 acre tract of undeveloped land located newar the intersection of Godby Road and Old National Hwy in College Park, Georgia (Godby Road Tract). MDG Development Group, LLC is a national real estate developer that approached the City's Department of Aviation with an offer to lease a portion of the Godby Road Tract, to construct on that leasehold a Flight Attendant Training Facility and sublease that facility to AirTran Airlines, a commercial air carrier doing business at the Airport.

**3. If Applicable/Known:**

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Ground Lease

(b) **Source Selection:**

---

(c) **Bids/Proposals Due:**

(d) **Invitations Issued:**

(e) **Number of Bids:**

(f) **Proposals Received:**

(g) **Bidders/Proponents:**

(h) **Term of Contract:** Ground Lease Term: 36 Years

**4. Fund Account Center:**

**5. Source of Funds:** *Example: Local Assistance Grant*

**6. Fiscal Impact:** Revenue:

*Example: This legislation will result in a reduction in the amount of \_\_\_\_\_ to Fund Account Center Number \_\_\_\_\_.*

**7. Method of Cost Recovery:** Revenue generated from this ground lease will assist with capital projects.

**Examples:**

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

**This Legislative Request Form Was Prepared By:** Jalal Slade

---

## Term Sheet for Godby Road Land Lease

<b>Lessor:</b>	City of Atlanta
<b>Lessee:</b>	MDG Development Group changed to: MDG Airport 1, LP
<b>Parcel Size:</b>	Leased area (5.5 acres);
<b>Site Plan:</b>	The updated Site Plan has been provided to the City for approval.
<b>Building to be Constructed:</b>	Approximately 50K SF; 300 Parking Spaces; Retention Pond; Temporary Construction Easement (30 days)
<b>Tenant for Building:</b>	AirTran
<b>Primary Use:</b>	Training Center Facility for Flight Attendants
<b>AirTran Lease:</b>	26 year lease w/(2) five year options, with MDG Airport 1, LP
<b>Land Lease Term:</b>	36 Year lease to MDG Airport 1, LP
<b>Estimated Appraised Value of Land:</b>	\$152,857K per acre
<b>Land Lease Payment:</b>	Lease payments representing 7.5% of the appraised land value shall be paid on the first day of each month. The Land Rental rate for the remainder of the term hereof shall be increased by the lesser of 4% per annum or the rate of increase in the CPI over the previous five years compounded annually in each instance during the applicable five year period. Based on the appraised value of \$152,857/K per acre, this represents a starting monthly payment of \$5,254.46 inclusive of the 5.5 acres.
<b>End of Land Lease:</b>	All improvements to the land revert back to the City of Atlanta, the owners of the land parcel.

### Responsibility of Maintenance of Leased Premises:

MDG shall, throughout the Term of the Lease Agreement and without cost or expense to the City, keep and maintain the Leased Premises and all improvements,

landscaping, fixtures and equipment, which may not or hereafter exist thereon. MDG shall, at its expense, arrange for delivery of any and all utilities to the Leased Premises, including but not limited to electrical, gas, telephone, sewer, and water lines. MDG shall thereafter pay, maintain, repair, and replace all utilities to and including the points of such connection. MDG shall pay for any capital improvement.



## LEGAL DESCRIPTION (BASED ON THIS SURVEY)

All that tract or parcel of land lying and being in Land Lots 68 & 69 of the 13th Land District, City of College Park, Fulton County, Georgia, said tract or parcel of land being more fully shown and designated on a plat of survey prepared by Valentino and Associates, Inc., (Job #26044; Drawing #26044), bearing the seal of Glenn A. Valentino, Ga. Registered Land Surveyor #2528, and being more particularly described as follows:

COMMENCING at a computed point at the intersection of the southerly right-of-way line of Godby Road (apparent 70' r/w) and the line dividing Land Lots 68 & 69.

THENCE proceeding along said line dividing Land Lots 68 & 69 the following courses and distances:

South 01 degrees 20 minutes 20 seconds West for a distance of 174.67 feet to a rock found;

THENCE South 00 degrees 27 minutes 45 seconds West for a distance of 395.95 feet to a rock found;

THENCE South 00 degrees 57 minutes 17 seconds West for a distance of 129.75 feet to a computed point;

THENCE South 00 degrees 57 minutes 17 seconds West for a distance of 11.47 feet to a 1/2"iron pin set, said 1/2"iron pin set being the POINT OF BEGINNING.

THENCE departing said line dividing Land Lots 68 & 69 South 89 degrees 12 minutes 29 seconds East for a distance of 75.73 feet to a 1/2"iron pin set;

THENCE South 03 degrees 08 minutes 11 seconds East for a distance of 266.62 feet to a 1/2"iron pin set;

THENCE South 25 degrees 27 minutes 44 seconds East for a distance of 438.09 feet to a 1/2"iron pin set;

THENCE South 64 degrees 33 minutes 48 seconds West for a distance of 296.70 feet to a 1/2"iron pin set on the easterly right-of-way line of Clipper Drive (apparent 80' r/w has not been publically dedicated as of 8/10/2007);

THENCE proceeding along said easterly right-of-way line of Clipper Drive the following courses and distances:

Along a curve to the right having a radius of 362.05 feet for an arc distance of 70.14 feet (said arc being subtended by a chord of North 31 degrees 00 minutes 42 seconds West for a distance of 70.03 feet) to a computed point;

THENCE North 25 degrees 27 minutes 44 seconds West for a distance of 371.83 feet to a computed point;

THENCE along a curve to the right having a radius of 480.84 feet for an arc distance of 216.25 feet (said arc being subtended by a chord of North 12 degrees 34 minutes 43 seconds West for a distance of 214.43 feet) to a computed point;

THENCE North 00 degrees 18 minutes 18 seconds East for a distance of 188.42 feet to a 1/2"iron pin set;

THENCE departing said easterly right-of-way line of Clipper Drive South 89 degrees 12 minutes 29 seconds East for a distance of 230.94 feet to a 1/2"iron pin set on the line dividing Land Lots 68 & 69, said 1/2"iron pin set being the POINT OF BEGINNING.

Together with and subject to agreements, covenants, easements, and restrictions of record (and/or proposed), including but not limited to the following:

### **Appurtenant Easement #1** (benefits the subject property):

It shall be understood by both Grantor and Grantee, and hereby conveyed, that the above described property is to have full rights of access and utilities within the r/w of Clipper Drive (said r/w is apparently 80' wide contiguous with the subject property, and expands to 100' wide at a point 175.01 feet south of the r/w of Godby Road).

**Appurtenant Easement #2** (benefits the subject property):

It shall be understood by both Grantor and Grantee, and hereby conveyed, that the above described property shall have the right to convey stormwater from the proposed detention pond (to be located within the southerly limits of subject property) to and through the existing stormwater structures located just south of the subject property. (Easements may be re-conveyed at a later time based on as-built improvements).

**Reciprocal Agreement #1** regarding the abandonment and re-alignment of sanitary sewer lines (benefits & burdens the subject property):

It shall be understood by both Grantor and Grantee, and hereby agreed, that the above described property shall have the right to re-align the existing sanitary sewer which traverses through the subject property (The existing 20' wide easement for the existing sanitary sewer lines is known as Godby Road Outfall Sewer #3, and was originally granted at Deed Book 7794, Page 305, Fulton County Georgia Records). Both parties hereby agree to the future abandonment of the existing sewer easement (pending completion of the re-routed lines) and to dedicate a new 20' wide easement based on the as-built location of said re-aligned sewer lines.

Said tract or parcel of land contains 5.465 acres or 238,035 square feet, and is a portion of tract of land that was previously conveyed in Deed Book 23344, Page 271, Fulton County Georgia Records, and is comprised of portions of the following Tax Parcels: 130068LL137, 130068LL192, 130069LL094, & 130069LL089.



TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 8/13/07

Anticipated Committee Meeting Date(s): 8/29/07

Anticipated Full Council Date: 9/04/07

Commissioner Signature: *Ad*

CAPTION

A RESOLUTION ON BEHALF OF THE DEPARTMENT OF AVIATION TO MODIFY THE TERMS OF A PROPOSED AGREEMENT WITH MDG DEVELOPMENT GROUP, LLC FOR THE LEASE OF LAND OWNED BY THE CITY OF ATLANTA NEAR HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT BY ADDING UP TO AN ADDITIONAL 2.0 ACRES TO THE LEASED PREMISES; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any)

Mayor's Staff Only

Received by CPO: \_\_\_\_\_ (date) Received by LC from CPO: \_\_\_\_\_ (date)

Received by Mayor's Office: 8/14/07 (date) Reviewed by: *jm* 8/15/07 (date)

Submitted to Council: \_\_\_\_\_ (date)